THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) and (b) Initially Navratna status to selected Central Public Sector Enterprises (CPSEs) was granted in 1997. The Miniratna status is granted to CPSEs by the concerned administrative Ministry/Department after satisfying themselves that such CPSEs fulfilled the requirements in that regard.

(c) The induction of minimum four non-official Directors in the case of Navratna CPSEs and minimum three non-official Directors in the case of Miniratna CPSEs is one of the pre-conditions before the exercise of the enhanced delegation of authority.

(d) and (e) The CPSEs not having requisite number of non-official Directors on their Boards will not be able to exercise enhanced delegation of authority even after grant of Navratna/Miniratna status to them.

(f) During the years 2005 and 2006, recommendations in respect of 297 positions have been made by Search Committee/Public Enterprises Selection Board for appointment as non-official Directors on the Board of CPSEs. These recommendations include 85 former civil servants, 62 CPSE executives, 69 Academicians, 26 private sector executives, 14 Chartered Accountants, 41 other professionals.

Professionalization of PSUs management

2349. DR. K. MALAISAMY:
SHRI S. ANBALAGAN:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the progress so far made in the matter of professionalisation of top management of Public Sector Undertakings;

(b) whether this process will be proceeded to percolate down the line of the organization; and

(c) when there is a conflict between the DPE guidelines and the articles of the Company in the composition of Board, powers of the Board, which will prevail and what will be the implication?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) and (b) The policy of Professionalisation of Boards of Central Public Sector Enterprises (CPSEs) provides for requisite number of Functional, Government Nominee and non-official Directors. During the years 2005 and 2006, recommendations in respect of about 300 positions have been made by the Search Committee and Public Enterprises Selection Board for appointment as non-official Directors on the Boards of various CPSEs.

(c) The concerned CPSEs may take steps, wherever necessary, to amend their Articles of Association to bring them in line with guidelines issued by Department of Public Enterprises, in consultation with their Administrative Ministry/Department after complying with the provisions of the Companies Act.

Growth of production of the auto industry

2350. SHRI RAMDAS AGARWAL: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the annual production of the auto industry in the country has been constantly increasing over the years;

(b) if so, the average annual rate of increase from the years, 2000-01 to 2005-06;

(c) the extent of average annual percentage of exports achieved by the auto industry during the said period; and

(d) the expectation of Government on the increase for the year 2006-07 and 2007-08?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) Yes, Sir.

(b) The Cumulative Annual Growth Rate (CAGR) of production of the automotive industry from the year 2000-2001 to 2005-2006 was 17%.

(c) The Cumulative Annual Growth Rate (CAGR) of exports during the period 2000-2001 to 2005-2006 was 32.92%.

(d) According to Society of India Automobile Manufacturers (SIAM) and Automotive Component Manufacturers Association of India (ACMA),